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Jordan

Grain and Feed

Annual

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Report Highlights:

MY2002/2003 rainfall season was favorable which reflected positively and favorably on winter and summer crops production. Wheat imports during that period totaled 666,097 tons of which only 30 percent came from the U.S. USDA program 416(b) facilitated the shipment of 200,000 tons from the U.S. Jordan's corn imports totaled 360,000 tons, of which 7.5 percent were imported from the U.S. Rice imports were 105,000 tons, 19,000 tons of which were from the United States.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Wheat

PSD Table						
Country:	Jordan					
Commodity:	Wheat					
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		07/2001		07/2002		07/2003
Area Harvested	28	72	28	50	28	60
Beginning Stocks	50	54	129	129	179	190
Production	19	75	15	55	15	50
TOTAL Mkt. Yr. Imports	800	660	800	666	800	631
Jul-Jun Imports	800	660	800	666	800	631
Jul-Jun Import U.S.	0	508	0	200	0	285
TOTAL SUPPLY	869	789	944	850	994	871
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Jul-Jun Exports	0	0	0	0	0	0
Feed Dom. Consumption	0	60	0	60	0	60
TOTAL Dom. Consumption	765	660	765	660	765	660
Ending Stocks	104	129	179	190	229	211
TOTAL DISTRIBUTION	869	789	944	850	994	871

Production and Consumption

For the second year in a row, weather conditions during the 2002/2003 rainfall season were favorable. Wheat production is estimated at 55,000 metric tons from a planted area of 50,000 hectares. This is compared to 75,000 metric tons from an area of 72,400 hectares in 2001/2002. Therefore, total area planted was 31 percent less in 2001/2002 and total production decreased by 27 percent. Wheat consumption is estimated at 600,000 metric tons annually.

Trade

Wheat imports during MY2002/2003 totaled 666,097 tons against 660,000 tons during MY2001/2002. The United States supplied 200,000 metric tons (30 percent of total imports). USDA programs 416(b) program facilitated the shipment of 200,000 tons of wheat from the United States. Although GSM-102 program was available during MY2002/2003, but due to a very high prices in the U.S., Jordan was forced to purchase wheat from alternative suppliers, i.e. Ukraine, Czech. Republic, Kazakhstan, Australia, Russia and Germany.

Imports of wheat during MY2003/2004 from the United States are forecast to be around 235,000 tons. USDA PL480 Title I program will facilitate the shipment of 135,000 tons and Jordan is looking forward to receive a new PL 480 Title I program for FY 04. Commercial U.S. wheat exports are expected to decline during this marketing year due to: (1) Japanese aid of 300,000 metric tons of which Jordan already received 54,000 tons; and (2) to high U.S. prices relative to other origins. However, Jordan is not expected to be in the market for new purchases until March 2004 since 135,000 tons of wheat from the United States under PL 480 Title I will

be shipped before the end of this year and a Japanese aid of 200,000 tons will be shipped before the end of this year and early 2004.

Wheat Import Table

Import Trade Matrix			
Country:		Units:	1000 MT
Commodity:			
Time period:	JULY/JUNE		
Imports for	2002		2003
U.S.	200	U.S.	235
Others		Others	
Ukraine	161	Ukraine	149
Czech. Rep.	106	Czech. Rep.	49
Kazakhstan	52	Kazakhstan	100
Australia	51	Australia	48
Russia	45	Russia	50
Germany	51		
Total for Others	466		396
Others not listed			
Grand Total	666		631

Barley

PSD Table						
Country:	Jordan					
Commodity:	Barley					
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		07/2001		07/2002		07/2003
Area Harvested	30	49	30	60	30	70
Beginning Stocks	13	273	33	236	33	198
Production	20	63	20	40	20	50
TOTAL Mkt. Yr. Imports	600	380	600	402	600	426
July-June Imports	600	380	600	402	600	426
July-June Imports U.S.	0	0	0	0	0	0
TOTAL SUPPLY	633	716	653	678	653	674
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
July-June Exports	0	0	0	0	0	0
Feed Dom. Consumption	600	480	600	480	600	480
TOTAL Dom. Consumption	600	480	600	480	600	480
Ending Stocks	33	236	53	198	53	194
TOTAL DISTRIBUTION	633	716	653	678	653	674

Production and Consumption

Jordan's barley production during MY 2002/2003 is projected at 40,000 metric tons from a planted area of 59,600 hectares. This compares to 63,000 metric tons from a planted area of 49,000 hectares in MY 2001/2002. Domestic barley consumption is about 40,000 metric tons monthly. Barley is mainly used for cattle and sheep and sometimes for poultry feed.

Trade

Barley imports during 2002/2003 totaled 402,000 metric tons, Syria was the major supplier shipping 300,000 metric tons or 71percent of total imports. In early November 2002, Jordan and Syria signed an agreement for the supply of 500,000 metric tons of Syrian barley to the Jordanian market, thus meeting all of Jordan's barley needs for year 2003. Jordan's barley imports of barley during MY2003/2004 are expected to be nearly the same as 2002/2003. Syria is expected to remain as the major supplier. Japan donated around 58,000 tons of barley to Jordan, which were supplied from Turkey. Since 1999, the GOJ has been the sole importer of barley and sets the price of barley for the livestock producers at JD70 per ton during the current year.

Barley Import Table

Import Trade Matrix			
Country:		Units:	1000 MT
Commodity:			
Time period:	JULY/JUN		
Imports for	2002		2003
U.S.	0	U.S.	0
Others		Others	
Syria	244	Syria	420
Iraq	100	France	6
Turkey	58		
Total for Others	402		426
Others not listed			
Grand Total	402		426

Corn

PSD Table						
Country:	Jordan					
Commodity:	Corn					
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		10/2001		10/2002		10/2003
Area Harvested	0	0	0	0	0	0
Beginning Stocks	0	86	0	152	0	92
Production	1	0	1	0	1	0
TOTAL Mkt. Yr. Imports	350	486	350	360	350	400
Oct-Sep Imports	350	486	350	360	350	400
Oct-Sep Import U.S.	0	25	0	27	0	75
TOTAL SUPPLY	351	572	351	512	351	492
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Oct-Sep Exports	0	0	0	0	0	0
Feed Dom. Consumption	351	420	351	420	351	420
TOTAL Dom. Consumption	351	420	351	420	351	420
Ending Stocks	0	152	0	92	0	72
TOTAL DISTRIBUTION	351	572	351	512	351	492

Production and Consumption

Jordan's locally produced corn is mostly used as corn-on-the cob for human consumption. Corn consumption is around 35,000 metric tons, mainly used for poultry.

Trade

Corn imports during MY2002/2003 are estimated at 360,000 metric tons of which 7.5 percent were from the United States. Argentina is the major source supplying 332,678 metric tons or 92.5 percent of total imports. Argentina will continue to be the main competitor for U.S. for both quality and price. Jordanian farmers and traders complain that the percentage of broken kernels and dust in US corn shipments is higher than Argentinian corn. They also perceive Argentinian corn as having a hard gelatine coat that prevents breaking. Also, cost of U.S. corn is higher than Argentinian corn because of transportation cost as cargoes coming from Argentine do not pass through Suez Canal and this reduces the cost by \$6 per ton. Corn is imported in bulk and by the private sector. Also, according to traders and importers, there is a price advantage for the Argentinian corn since mixed shipments are bought by some importers - a mixture of soybean and corn. Although according to the Free Trade Agreement signed between Jordan and the U.S., imports of American corn and soybean meal no longer pay the 5.2 percent Jordanian import tariff, importers report that a price gap in favor of Argentina still remains for corn and soybean meal.

Corn Import Table

Import Trade Matrix			
Country:		Units:	1000 MT
Commodity:			
Time period:	OCT/SEPT		
Imports for	2002		2003
U.S.	27	U.S.	75
Others		Others	
ARGENTINA	333	ARGENTINA	325
Total for Others	333		325
Others not listed			
Grand Total	360		400

Rice

PSD Table						
Country:	Jordan					
Commodity:	Rice, Milled					
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Area Harvested	0	0	0	0	0	0
Beginning Stocks	30	30	15	42	5	47
Milled Production	0	0	0	0	0	0
Rough Production	0	0	0	0	0	0
Milling Rate(.9999)	0	0	0	0	0	0
TOTAL Imports	90	112	90	105	90	90
Jan-Dec Imports	90	112	90	105	90	90
Jan-Dec Import U.S.	18	15	0	19	0	20
TOTAL SUPPLY	120	142	105	147	95	137
TOTAL Exports	0	0	0	0	0	0
Jan-Dec Exports	0	0	0	0	0	0
TOTAL Dom. Consumption	105	100	100	100	90	100
Ending Stocks	15	42	5	47	5	37

Production and Consumption

Jordan does not produce rice. Rice consumption is around 100,000 tons of medium and long grain annually, 90 percent of which is medium grain.

Trade

Imports in 2002 were 105,000 metric tons, 19,000 of which came from the United States. Total rice imports during 2003 are forecasted at 90,00 metric tons. The U.S. is expected to supply only 20,000 metric tons. Competition for medium grain rice is tough between the U.S., Australia and Egypt. Egyptian rice is imported bagged and in small ships. The Australian rice is imported in bulk and bagged. The U.S. rice is imported in bulk and is bagged in Jordan. Imports of consumer packaged parboiled long grain and basmati rice during 2002 are expected to amount to 10,000 tons. The U.S. long grain rice exports face strong competition from Thailand. Rice is imported freely by Jordanian private sector companies.

Rice Import Table

Import Trade Matrix			
Country:		Units:	1000 MT
Commodity:			
Time period:	JAN-DEC		
Imports for	2002		2003
U.S.	19	U.S.	20
Others		Others	
EGYPT	29	EGYPT	25
AUSTRALIA	34	AUSTRALIA	30
THAILAND	8	ITALY	5
SPAIN	5	SPAIN	3
ITALY	5	THAILAND	2
Total for Others	81		65
Others not listed	5		5
Grand Total	105		90

Production and Price Policy

For the second year in a row, abundant rains affected the area and were well distributed over the various regions of the country during the 2002/2003 rainfall season. The GOJ continues to import wheat and barley and fixes prices for wheat sold to millers, flour sold by millers to bakers. The Government also fixes retail price of two types of bread known as unified and baladi bread. The two types of bread account for 90 percent of Jordan's wheat consumption. Price of wheat sold to millers is JD99.300/metric ton. Price of flour is JD 123.200 for the unified flour and JD.124.400 for the baladi flour. The GOJ continues to subsidize the sale of barley to the farmers.

In addition, the GOJ continued its grain subsidy policy whereby it encourages the farmers to plant wheat and barley and purchases these crops at higher than market support prices which are announced every year prior to the planting season. This year, GOJ purchased from the farmers 32,734 tons of wheat and 17,130 tons of barley.

No policy changes have been implemented during MY 2002/2003.

Market Development

Jordan will continue to import most of its wheat and barley needs and all of its corn and rice requirements. The United States is expected to continue its presence in the wheat market by facilitating its sales through GSM Credit Guarantees and other assistance programs. Financing will continue to be a crucial factor in Jordan's purchasing decision because of Jordan's limited foreign exchange and budgetary structure.

U.S. Department of Agriculture Development Cooperators - U.S. Wheat Associates, U.S. Grains Council and the U.S. Rice Council provide valuable technical in-country assistance and trade service programs as well as training for Jordanians inside and outside Jordan.